

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT CONTAINS A PROPOSAL RELATING TO SMITHSON INVESTMENT TRUST PLC (THE “COMPANY”)<sup>1</sup> ON WHICH YOU ARE BEING ASKED TO VOTE. If you are in any doubt as to the action you should take, you are recommended to seek immediately your own independent advice.**

If you have sold or otherwise transferred all your Ordinary Shares in the Company please send this document and the accompanying documents (but not any personalised Form of Proxy), as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. However, such documents should not be distributed, forwarded or transmitted in or into the United States, Canada, Australia or Japan or into any other jurisdiction if to do so would constitute a violation of the relevant laws and regulations in such other jurisdiction.

International financial sanctions regimes, including those related to the ongoing war in Ukraine, may constrain the ability of Shareholders subject to such sanctions to exercise the rights attaching to their Ordinary Shares, including rights to vote, and to have those votes recognised by the Company. The Company’s obligation to take into account the votes of its Shareholders will at all times remain subject to compliance with all applicable law and regulation.

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# SMITHSON INVESTMENT TRUST PLC

*(an investment company within the meaning of section 833 of the Companies Act 2006,  
incorporated in England and Wales with registered number 11517636)*

## NOTICE OF GENERAL MEETING

### **Proposed Reduction of the Share Premium Account of the Company to Facilitate Potential Further Share Buybacks**

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**This document should be read as a whole. Your attention is drawn to the letter from the Chairman of the Company which recommends you vote in favour of the Special Resolution to be proposed at the General Meeting of the Company. Your attention is also drawn to the section entitled “Action to be Taken by Shareholders” on page 2 of this document.**

The Special Resolution described in this document is conditional on Shareholder approval at the General Meeting. The Notice convening the General Meeting is set out at the end of this document.

The definitions used in this Circular are set out on page 5.

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<sup>1</sup> Capitalised terms in this document have the meanings set out on page 5.

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### EXPECTED TIMETABLE OF EVENTS

Latest time and date for receipt of Form of Proxy for the General Meeting	11.00 a.m. on 4 February 2023
General Meeting	11.00 a.m. on 6 February 2023

### ACTION TO BE TAKEN BY SHAREHOLDERS

**ALL HOLDERS OF ORDINARY SHARES ARE RECOMMENDED TO VOTE IN FAVOUR OF THIS RESOLUTION BY LOGGING ON TO <https://www.mysmithsonshares.co.uk/welcome> AND FOLLOWING INSTRUCTIONS; REQUESTING A HARD COPY FORM OF PROXY FROM THE REGISTRAR OR UTILISING THE CREST ELECTRONIC PROXY APPOINTMENT SERVICE. COMPLETION AND RETURN OF THE FORM OF PROXY WILL NOT AFFECT A SHAREHOLDER'S RIGHT TO ATTEND AND VOTE AT THE GENERAL MEETING.**

Shareholders are requested to complete and return their Forms of Proxy for the General Meeting as soon as possible and in any event not later than 11.00 a.m. on 4 February 2023. Where a Shareholder being a body corporate wishes to attend and vote at the General Meeting, an appropriate letter of representation and suitable identification of the person nominated to represent the body corporate must be presented before the General Meeting.

## LETTER FROM THE CHAIRMAN

# SMITHSON INVESTMENT TRUST PLC

*(an investment company within the meaning of section 833 of the Companies Act 2006,  
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## NOTICE OF A GENERAL MEETING

### *Directors*

Diana Dyer Bartlett  
Jeremy Attard-Manche  
Lord St. John of Bletso  
Denise Hadgill

### *Registered Office*

6th Floor  
125 London Wall  
London EC2Y 5AS

19 January 2023

Dear fellow Shareholder,

### **Notice convening a General Meeting to pass a special resolution to reduce the share premium account of Smithson Investment Trust plc to fund further potential share buybacks**

Early last year, the Company's shares started to trade at a discount to Net Asset Value and since 29 April 2022, the Company has been making purchases of its Ordinary Shares on the market. During the period from 29 April 2022 to 16 January 2023, the Company has purchased in aggregate 6 million Ordinary Shares at a cost, before dealing charges, of £77.6 million.

As a matter of law, the Company is only permitted to fund purchases of its own shares out of its distributable reserves or the proceeds of a fresh issue of shares and while the Ordinary Shares are trading on the London Stock Exchange at a price less than the latest published Net Asset Value per share, the Company is not able to issue new shares.

As at 31 December 2022, the Company's distributable reserves available to fund share buybacks were approximately £200 million. The Board believes it is prudent to create further distributable reserves to ensure that the Board can continue to undertake share buybacks when they feel they are appropriate. The share buybacks which the Company has conducted have been accretive to the Company's Net Asset Value per share and the Board believes it is important that there is no technical impediment to their continued use.

I am writing to you with details of a General Meeting which we are holding at the offices of Travers Smith LLP, 10 Snow Hill, London, EC1A 2AL on 6 February 2023 at 11.00 a.m.

The meeting is being called to propose a resolution to reduce the Company's share premium account by £500 million. The reduction, if approved by Shareholders and the High Court, will result in a corresponding increase in the Company's distributable reserves.

The formal notice of the General Meeting and the Special Resolution to be proposed are set out at the end of this document. Shareholders may attend the General Meeting, in person or by proxy, or if a corporation, by a duly appointed representative.

Voting on the Special Resolution to be proposed at the General Meeting will be conducted on a poll, rather than a show of hands. This means that Ordinary Shareholders will have one vote for each Ordinary Share held.

Should you be unable to attend the General Meeting, I would like to take this opportunity to remind you that you are welcome to ask any questions you may have by emailing the Board at [smithsonchairman@fundsmith.co.uk](mailto:smithsonchairman@fundsmith.co.uk).

International financial sanctions regimes, including those related to the ongoing war in Ukraine, may constrain the ability of Shareholders subject to such sanctions to exercise the rights attaching to their Ordinary Shares,

including rights to vote, and to have those votes recognised by the Company. The Company's obligation to take into account the votes of its Shareholders will at all times remain subject to compliance with all applicable law and regulation.

### **Formal business of the General Meeting**

In order for the Special Resolution to be passed, at least three quarters of the votes cast must be in favour of the resolution. All holders of Ordinary Shares are recommended to vote in favour of this resolution by logging on to <https://mysmithson.co.uk/welcome> and following instructions; requesting a hard copy Form of Proxy from the Registrar or utilising the CREST electronic proxy appointment service. Completion and return of the Form of Proxy will not affect a Shareholder's right to attend and vote at the General Meeting.

In order for a quorum to be present at the General Meeting, it is necessary for there to be present in person, by corporate representative or by proxy, two or more Shareholders. If, after 15 minutes of the time appointed for the General Meeting, a quorum is not present, then the General Meeting will stand adjourned to 11.00 a.m. on 27 February 2023. At the adjourned meeting, in order for a quorum to be present, it is necessary for there to be present in person, by corporate representative or by proxy, two or more Shareholders. Forms of Proxy will also be valid at any adjourned meeting.

An explanation for the Special Resolution is set out below:

### **Special Resolution to reduce the share premium account of the Company**

The Special Resolution will give the Directors the ability to reduce the Company's share premium account by £500 million, resulting in such amount being converted from an undistributable capital reserve to a distributable reserve. The Directors intend that this distributable reserve may be used to continue with the Company's share buy-back programme.

The principal aim of the continued buy back of shares is to enhance shareholder value by acquiring shares at a discount to Net Asset Value, as and when the Directors consider this to be appropriate. Shares will only be bought back when the share price is less than the Net Asset Value per share. The buyback of shares should result in an increase in the Net Asset Value per share for remaining Shareholders.

### **Action to be taken by Shareholders**

Shareholders are being asked to vote at the General Meeting as the Special Resolution requires approval in accordance with the Articles, the Act and the Listing Rules.

The Articles allow holders of Ordinary Shares to attend and vote at the General Meeting. Please refer to the instructions on how to vote in notes 3 to 5 (inclusive) in the Notes section of the Notice included below.

### **Recommendation**

Your Board considers that the Special Resolution is in the best interests of Shareholders as a whole. Accordingly, the Board unanimously recommends Shareholders to vote in favour of the Special Resolution at the General Meeting as each of the Directors intends to do in relation to the shares whose votes they control.

Yours sincerely

**Diana Dyer Bartlett**

*Chairman*

## DEFINITIONS

The following definitions apply throughout this document, unless the context requires otherwise:

<b>“Act”</b>	the Companies Act 2006, as amended from time to time
<b>“Articles”</b>	the articles of incorporation of the Company in force from time to time
<b>“Board” or “Directors”</b>	the directors of the Company
<b>“Company”</b>	Smithson Investment Trust plc
<b>“CREST”</b>	the computerised settlement system operated by Euroclear which facilitates the transfer of title to shares in uncertificated form
<b>“Euroclear”</b>	Euroclear UK & International Limited, the central securities depository for the United Kingdom, which operates CREST
<b>“Form of Proxy”</b>	the form of proxy for use by Shareholders in connection with the General Meeting which may be repealed in accordance with note 6 of the Notice of the General Meeting.
<b>“General Meeting”</b>	the general meeting of the Company to be convened on 6 February 2023 and any adjournment thereof
<b>“Net Asset Value”</b>	at any time, the net asset value of the Company in total, or (as the context requires) per Ordinary Share calculated in accordance with the Company’s accounting policies
<b>“Notice”</b>	the notice calling the General Meeting to be convened on 6 February 2023
<b>“Registrar”</b>	Link Group
<b>“Shareholder”</b>	a registered holder of Ordinary Shares
<b>“Special Resolution”</b>	the special resolution proposed to be passed at the General Meeting
<b>“Ordinary Shares”</b>	ordinary shares of £0.01 each in the capital of the Company

# SMITHSON INVESTMENT TRUST PLC

(the “**Company**”)

*(an investment company within the meaning of section 833 of the Companies Act 2006,  
incorporated in England and Wales with registered number 11517636)*

## NOTICE OF GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that a general meeting of the Company will be held at the offices of Travers Smith LLP at 10 Snow Hill, London EC1A 2AL on 6 February 2023 at 11.00 a.m. (the “**General Meeting**”) at which shareholders will be asked to consider and vote on the resolution below which will be proposed as a special resolution.

### **Reduction of the share premium account of the Company**

That the share premium account of the Company be reduced by £500 million.

By order of the Board

### **Apex Listed Companies Services (UK) Limited**

*Company Secretary*

Date 19 January 2023

Registered Office: 6th Floor, 125 London Wall, London, England, EC2Y 5AS

Notes:

**1. Website Address**

Information regarding the meeting, including the information required by section 311A Companies Act 2006, is available at the Company's website [www.smithson.co.uk](http://www.smithson.co.uk). Investors should note, however, that contents of the Company's website, and the contents of any websites which can be accessed through links on the Company's website, do not form part of this Notice.

**2. Entitlement to attend and vote**

Holders ("**Shareholders**") of ordinary shares of £0.01 each in the capital of the Company ("**Ordinary Shares**") are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company.

Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended) and section 360B(2) of the Act, only those shareholders registered in the register of members of the Company (the "**Register of Members**") at 6.00 p.m. on 4 February 2023 (or, in the event of any adjournment, at 6.00 p.m. on the day which is two days prior to the adjourned meeting) shall be entitled to attend and vote at the General Meeting. Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the General Meeting.

**3. How to vote**

Shareholders can vote by: logging onto <https://www.mysmithsonshares.co.uk/welcome> and following instructions; requesting a hard copy form of proxy ("**Form of Proxy**") directly from the registrar, Link Group at [Shareholderenquiries@linkgroup.co.uk](mailto:Shareholderenquiries@linkgroup.co.uk); or in the case of CREST shareholders, utilising the CREST electronic proxy appointment service in accordance with the procedures set out in note 5 below. To be valid any appointment of a proxy must be completed, signed and received at Link Group, PXS1, Central Square, 29 Wellington Street, Leeds, LS1 4DL no later than 11.00 a.m. on 4 February 2023.

In the case of a Shareholder which is a company, the instrument appointing a proxy must be executed under its seal or signed on its behalf by a duly authorised officer or attorney or other person authorised to sign. Any power of attorney or other authority under which the instrument is signed (or a certified copy of it) must be included with the instrument.

The return of a completed Form of Proxy, other such instrument or any CREST Proxy Instruction (as described below) will not prevent a Shareholder attending the meeting and voting in person if he/she/they wishes to do so.

**4. Appointment of proxy**

Shareholders entitled to attend, speak and vote at the meeting (in accordance with Note 2 above) are entitled to appoint one or more proxies to attend, speak and vote in their place. If you wish to appoint a proxy please use the methods listed in Note 3. In the case of joint shareholders, only one need sign the Form of Proxy. The vote of the senior joint shareholder will be accepted to the exclusion of the votes of the other joint members. For this purpose, seniority will be determined by the order in which the names of the members appear in the Register of Members in respect of the joint shareholding. A proxy need not be a Shareholder of the Company. You may appoint more than one proxy provided each proxy is appointed to exercise the rights attached to a different share or shares held by you.

You can appoint the Chairman of the General Meeting, or any other person, as your proxy. If you wish to appoint someone other than the Chairman, cross out the words "the Chairman of the Meeting" on the Form of Proxy and insert the full name of your appointee.

You can instruct your proxy how to vote on the resolution by ticking the "For" or "Against" boxes as appropriate (or entering the number of shares which you are entitled to vote). If you wish to abstain from voting on the resolution please tick the box which is marked "Abstain". It should be noted that a vote withheld is not a vote in law and will not be counted in the calculation of the proportion of votes "For" and "Against" the resolution. If you do not indicate on the Form of Proxy how your proxy should vote, he/she/they can exercise his/her/their discretion as to whether, and if or how, he/she/they votes on the resolution, as he/she/they will do in respect of any other business (including amendments to resolutions) which may properly be conducted at the meeting.

If you are an institutional investor you may be able to appoint a proxy electronically via the Proximity platform, a process which has been agreed by the Company and approved by the registrar. For further information regarding Proximity, please go to [www.proximity.io](http://www.proximity.io). Your proxy must be lodged by 11 a.m. on 4 February 2023 in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proximity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.

A company incorporated in England and Wales or Northern Ireland should execute the Form of Proxy under its common seal or otherwise in accordance with section 44 of the Companies Act 2006 or by signature on its behalf by a duly authorised officer or attorney whose power of attorney or other authority should be enclosed with the Form of Proxy.

**5. Appointment of proxy through CREST**

CREST shareholders who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal shareholders or other CREST sponsored shareholders, and those CREST shareholders who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with the specifications of Euroclear UK and International

Limited, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA10) no later than 48 hours before the time appointed for holding the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST shareholders and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST shareholder concerned to take (or, if the CREST shareholder is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST shareholders and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Register of Members in respect of the joint holding (the first named being the most senior).

Shareholders who wish to change their proxy instructions should submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Shareholders who have appointed a proxy using a hard-copy Form of Proxy and who wish to change the instructions using another hard-copy form, should contact Link Group 0371 664 9272 (Smithson dedicated line). Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Link is open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. **Unless otherwise indicated on the Form of Proxy, CREST voting or any other electronic voting channel instruction, the proxy will vote as they think fit or, at their discretion, withhold from voting.**

## 6. Termination of proxy appointments

In order to revoke a proxy instruction, shareholders will need to inform the Company through Link. Shareholders should send a signed hard copy notice clearly stating their intention to revoke a proxy appointment to Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL.

In the case of a Shareholder which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power of attorney) must be included with the revocation notice.

If a Shareholder attempts to revoke their proxy appointment but the revocation is received after the time for receipt of proxy appointments (see above) then, subject to note 2, the proxy appointment will remain valid.

Completion of a Form of Proxy will not preclude a Shareholder from attending and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will be automatically terminated.

If you submit more than one valid proxy appointment in respect of the same Ordinary Shares, the appointment received last before the latest time for receipt of proxies will take precedence.

## 7. Nominated Persons

Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "**Nominated Person**") may, under an agreement between him/her and the Shareholder by whom he/she was nominated, have a right to be appointed (or have someone else appointed) as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she/they may, under any such agreement, have a right to give instructions to the Shareholder as to the exercise of voting rights.

## 8. Issued shares and total voting rights

As at 16 January 2023 (the latest practicable date before publication of the Notice) the Company's issued share capital consisted of 177,107,958 Ordinary Shares, carrying one vote each. There are 6 million treasury shares in issue. Therefore, the total voting rights in the Company as at 16 January 2023 were 171,107,958.00.